

HOUSE BILL 682

Unofficial Copy
R2

2004 Regular Session
4r1953
CF 4r1400

By: **Delegates McIntosh and Marriott**

Introduced and read first time: February 4, 2004

Assigned to: Ways and Means and Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Mass Transit Services - Cost Recovery - Performance Standards**

3 FOR the purpose of repealing the termination of certain provisions of law relating to
4 the percentage of operating costs that must be recovered from certain revenues
5 for certain mass transit services; continuing a requirement that the Maryland
6 Transit Administration establish a certain cost recovery goal; requiring the
7 continuation of certain performance indicators for certain mass transit services;
8 continuing a requirement that certain independent management audits be
9 performed for certain purposes; requiring the submission of certain projections
10 in the Department of Transportation's annual budget; repealing certain obsolete
11 provisions; providing for the effective date of this Act; and generally relating to
12 the funding of mass transit services.

13 BY repealing
14 Chapter 210 of the Acts of the General Assembly of 2000
15 Section 3

16 BY repealing and reenacting, with amendments,
17 Chapter 210 of the Acts of the General Assembly of 2000
18 Section 5

19 BY repealing
20 Chapter 211 of the Acts of the General Assembly of 2000
21 Section 3

22 BY repealing and reenacting, with amendments,
23 Chapter 211 of the Acts of the General Assembly of 2000
24 Section 5

25 BY adding to
26 Article - Transportation
27 Section 2-104
28 Annotated Code of Maryland
29 (2001 Replacement Volume and 2003 Supplement)

1 BY repealing and reenacting, with amendments,
2 Article - Transportation
3 Section 7-208 and 10-207
4 Annotated Code of Maryland
5 (2001 Replacement Volume and 2003 Supplement)

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
7 MARYLAND, That the Laws of Maryland read as follows:

8 **Chapter 210 of the Acts of 2000**

9 [SECTION 3. AND BE IT FURTHER ENACTED, That the Department of
10 Transportation shall submit in the Department's annual budget request separate
11 farebox recovery projections for the fiscal year covered by the budget request for the
12 Mass Transit Administration's and the Washington Metropolitan Area Transit
13 Authority's bus, light rail, and metro services.]

14 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 July 1, 2000. [It shall remain effective for a period of 4 years and, at the end of June
16 30, 2004, with no further action required by the General Assembly, this Act shall be
17 abrogated and of no further force and effect.]

18 **Chapter 211 of the Acts of 2000**

19 [SECTION 3. AND BE IT FURTHER ENACTED, That the Department of
20 Transportation shall submit in the Department's annual budget request separate
21 farebox recovery projections for the fiscal year covered by the budget request for the
22 Mass Transit Administration's and the Washington Metropolitan Area Transit
23 Authority's bus, light rail, and metro services.]

24 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 July 1, 2000. [It shall remain effective for a period of 4 years and, at the end of June
26 30, 2004, with no further action required by the General Assembly, this Act shall be
27 abrogated and of no further force and effect.]

28 **Article - Transportation**

29 2-104.

30 THE DEPARTMENT SHALL SUBMIT IN ITS ANNUAL BUDGET SEPARATE FAREBOX
31 RECOVERY PROJECTIONS FOR BUS, LIGHT RAIL, HEAVY RAIL, AND SUBWAY
32 SERVICES PROVIDED BY THE MARYLAND TRANSIT ADMINISTRATION AND THE
33 WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY DURING THE FISCAL YEAR
34 COVERED BY THE BUDGET.

35 7-208.

36 (a) Subject to the authority of the Secretary and, where applicable, the
37 Maryland Transportation Authority, the Administration has jurisdiction:

1 (1) Consistent with the provisions of Division II of the State Finance and
2 Procurement Article, for planning, developing, constructing, acquiring, financing, and
3 operating the transit facilities authorized by this title; and

4 (2) Over the services performed by and the rentals, rates, fees, fares, and
5 other charges imposed for the services performed by transit facilities owned or
6 controlled by the Administration.

7 (b) (1) For fiscal year 2001 and thereafter, the Administration shall recover
8 from fares and other operating revenues at least 40 percent of the operating costs for
9 the Maryland Transit Administration bus, light rail, and Metro services in the
10 Baltimore region.

11 (2) The Administration shall establish a cost recovery goal of 50 percent.

12 (3) The Administration may exempt from the requirements of this
13 subsection new mass transit service for a period of 36 months from the initiation of
14 the service as well as fare modifications for a period of 36 months from the date of the
15 modification.

16 (4) The Administration shall obtain the fare recovery ratio through the
17 establishment of reasonable fares in the Baltimore region and the implementation of
18 cost containment measures as deemed necessary to meet the standard required under
19 this paragraph.

20 (c) (1) For fiscal year 2001 and thereafter, the Administration shall
21 implement performance indicators, in addition to the farebox recovery indicator, to
22 track service efficiency for mass transit in the Baltimore region, including:

23 (i) Operating expenses per vehicle mile;

24 (ii) Operating expenses per passenger trip; and

25 (iii) Passenger trips per vehicle mile.

26 (2) The Administration shall submit an annual performance report to
27 the Senate Budget and Taxation Committee, House Ways and Means Committee, and
28 House Appropriations Committee by December 1 of each year on:

29 (i) The status of the performance indicators for the prior fiscal
30 year;

31 (ii) The status of managing-for-results goals of the Administration
32 as they pertain to mass transit service in the Baltimore area; and

33 (iii) Comparisons of performance indicators for mass transit in the
34 Baltimore region and other similar systems nationwide.

1 (d) (1) The Administration shall provide for an independent management
2 audit of the operational costs and revenues of mass transit in the Baltimore region
3 every 4 years.

4 (2) The audit shall provide data on fares, cost containment measures,
5 comparisons with other similar mass transit systems, and other information
6 necessary in evaluating the operations of the Baltimore Regional Transit System.

7 (3) The findings from the audit shall be used as a benchmark for the
8 annual performance reports.

9 [(4) A preliminary baseline audit shall be completed by December 1, 2000,
10 with a final baseline audit to be completed by December 1, 2001.]

11 (e) The determinations of the Secretary, Administration, or Maryland
12 Transportation Authority as to the type of service performed or the rentals, rates,
13 fees, fares, and other charges imposed are not subject to judicial review or to the
14 processes of any court.

15 (f) Notwithstanding any other provision of this title or the Public Utility
16 Companies Article, the Public Service Commission does not have any jurisdiction over
17 transit facilities owned or controlled by the Administration or over any contractor
18 operating these facilities.

19 (g) Except as provided in this title, the Administration does not have any
20 jurisdiction over transportation in the District by private carriers.

21 10-207.

22 (a) (1) In this section, the following words have the meanings indicated.

23 (2) "Eligible local bus service":

24 (i) Means the number of annual platform miles and annual
25 platform hours of fixed route, scheduled local bus service, that previously replaced
26 comparable service operated by the Washington Metropolitan Area Transit Authority,
27 plus the number of annual platform miles and annual platform hours of any new
28 fixed route, scheduled local bus service added after June 30, 1989; and

29 (ii) Is limited to service operated by or on behalf of and in
30 Montgomery County or Prince George's County.

31 (3) "Costs" means operating costs of eligible local bus service, plus
32 operating costs under § 10-205 of this subtitle.

33 (4) "Service deficit" means costs less:

34 (i) The greater of:

35 1. Revenues collected under this section and § 10-205(b) of
36 this subtitle; or

1 farebox recovery indicator, to track service efficiency for mass transit in their
2 respective jurisdictions, including:

- 3 (i) Operating expenses per vehicle mile;
- 4 (ii) Operating expenses per passenger trip; and
- 5 (iii) Passenger trips per vehicle mile.

6 (2) The counties shall submit an annual performance report to the
7 Senate Budget and Taxation Committee, House Ways and Means Committee, and
8 House Appropriations Committee by December 1 of each year on:

- 9 (i) The status of the performance indicators for the prior fiscal
10 year;
- 11 (ii) The status of any performance goals of their jurisdictions as
12 they pertain to mass transit service; and
- 13 (iii) Comparisons of performance indicators for mass transit in their
14 jurisdictions and other similar systems nationwide.

15 (g) (1) Prince George's County and Montgomery County shall each provide
16 for an independent management audit of the operational costs and revenues of mass
17 transit in their respective jurisdictions every 4 years.

18 (2) The audit shall provide data on fares, cost containment measures,
19 comparisons with other similar mass transit systems, and other information
20 necessary in evaluating the operations of their transit systems.

21 (3) The findings from the audit shall be used as a benchmark for the
22 annual performance reports.

23 [(4) A preliminary baseline audit shall be completed by December 1, 2000,
24 with a final baseline audit to be completed by December 1, 2001.]

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 June 1, 2004.